Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
Application by Qwest Communications	)	
International Inc. for Provision of	)	
In-Region, InterLATA	)	CC Docket No. O2-148
Services in Colorado, Idaho, Iowa,	)	
Nebraska and North Dakota	)	
	)	

DECLARATION OF SHERRY LICHTENBERG

1. My name is Sherry Lichtenberg. I have twenty years of experience in the telecommunications market. Prior to joining WorldCom, Inc., I was Pricing and Proposals Director for AT&T Government Markets, Executive Assistant to the President, and Staff Director for AT&T Government Markets. I also held a number of positions in Product and Project Management. I have been with WorldCom, Inc. for six years. I am currently employed by WorldCom, Inc. as a Senior Manager in the Mass Markets local services team. We will refer to the division of WorldCom, Inc. that offers local residential service as "MCI." My duties include designing, managing, and implementing MCI's local telecommunications services to residential customers on a mass market basis nationwide, including Operations Support Systems ("OSS") testing in Qwest and elsewhere. I participated in the drafting of the initial Qwest test development document and provided advice and consultation to the MCI team that participated in the day to day testing activities. I have been involved in OSS proceedings throughout the country.

2. Qwest has applied for section 271 while significant deficiencies still exist in its OSS and while much about its OSS remains completely unknown. I agree with Qwest that it has worked with CLECs in the last two years to significantly improve its OSS and to develop

a third-party test of that OSS. Qwest should be complimented on its progress. But that does not mean that Qwest's OSS is ready.

3. The fact is that Qwest did not even begin making serious efforts to develop adequate OSS until several years after passage of the Telecommunications Act. It is also my understanding that until very recently, Qwest's prices for leasing UNEs were so high that competitors could not come close to making profits through local entry. As a result of these barriers to entry, Qwest is the last region of the country in which local competition has begun to develop.

4. To date, unlike in other regions in which BOCs have applied for section 271 entry, Qwest has very little commercial experience on which to rely that shows its OSS is ready, at least with respect to the unbundled network elements platform ("UNE-P"), the only entry vehicle that can today support broad-based entry for residential and small business markets. Neither of the two national CLECs that are using UNE-P as a primary entry strategy, MCI or AT&T, even entered the Qwest region until very recently. Other CLECs like Eschelon have used a special Qwest UNE-P like product whose ordering and provisioning rules may or may not mirror those of the true UNE-P product. And those CLECs ordered this product under special business rules and with special Qwest support.

5. MCI finally entered parts of the Qwest region in April 2002 and began providing its Neighborhood product, a product that combines local and long distance service and specific features. It did so in partnership with Z-Tel, which is transmitting the orders via Z-Tel's OSS interfaces, interfaces that were constructed by Accenture. As of June 12, 2002, MCI had transmitted fewer than 9,200 UNE-P orders to Qwest through Z-Tel's

systems, however. In contrast, in individual *states* in other regions, MCI is transmitting 3,000 to 5,000 orders *per day*.

6. Qwest boasts that as of March 31, 2002, it had in service 79,406 UNE-P combinations in Colorado, 11,438 in Idaho, 110,471 in Iowa, 4,446 in Nebraska, and 21,149 in North Dakota. Simpson/Stewart Access to UNEs Decl. ¶54. But Qwest cannot rely on its experience in Iowa to show the readiness of its EDI interface to process UNE-P orders "because flow-through-eligible UNE-P LSRs have not yet been submitted through that gateway in Iowa." Notarianni & Doherty Decl. ¶ 321. Indeed, Qwest's performance measures show that region-wide, Qwest received only 6,008 UNE-P orders via EDI, and only 10,173 orders via the GUI in May 2002 – it's highest volume month to date. (Performance Reports, PO-2A-2, 2A-1). This would be a paltry number of orders for one state much less an entire region and can hardly serve to show that Qwest's OSS is ready to serve commercial volumes of orders.

7. In assessing, the readiness of Qwest's OSS, it is also important to remember that Qwest's OSS is not fully regional. Because the Qwest region is divided into three sub-regions, KPMG reported results for each of these sub-regions in the third party test. Colorado, Idaho, Montana, New Mexico, Utrah, and Wyoming are in the Central sub-region; Iowa, Minnesota, Nebraska, North Dakota, and south Dakota are in the Eastern sub-region, and Washington and Oregon are in the Western sub-region. Thus, even if Qwest had significant commercial experience in one of its sub-regions, Qwest could not rely on that experience to show that its OSS is ready region wide.

8. Moreover, Qwest has apparently inflated the number of UNE-P lines by including in its calculation a unique product called UNE-E that was developed for Eschelon, as well as

other unique products developed for other carriers, as well as all the lines included in UNE-P Centrex orders. Eschelon submitted affidavits in a number of states describing its experience with UNE-E, but the states did not accept these affidavits. (The affidavits were submitted late because it was only late in the day that Eschelon was relieved from a secret deal it made with Qwest in which it had agreed not to describe its experience.) In these affidavits Eschelon indicated that Qwest unilaterally changed the reporting of UNE-E lines to UNE-P, thus inflating the number of UNE-P lines in its reporting. At the same time, however, Qwest did not capture in its performance measures the substantial problems Eschelon experienced on these UNE-E lines, including inaccurate provisioning, inaccurate wholesale bills and inaccurate daily usage feeds – all of which continue to be problems as discussed below. In any case, even with the inclusion of Eschelon lines and Centrex lines, Qwest has processed few UNE-P orders.

9. Because of the dearth of commercial experience, Qwest is forced to rely almost entirely on the third-party test to prove the readiness of its OSS. In contrast, in other regions, the BOC was always able to rely on commercial experience in at least one state in its region in conjunction with a third-party test. Because Qwest lacks such experience, the Commission should scrutinize the third-party test results very closely.

10. Close scrutiny reveals that Qwest's OSS is not ready. Unlike third-party tests in other regions, the third-party test here concluded while KPMG continued to deem Qwest's performance unsatisfactory with respect to a number of important issues. The third-party test also concluded with a number of important issues unresolved because Qwest unilaterally determined that certain issues should not be retested. On still other important issues, Qwest escaped a finding of unsatisfactory performance because KPMG did not

pass judgment on so-called "diagnostic" test criteria. In contrast, in other regions, KPMG exercised its judgment to determine whether performance was satisfactory with regard to similar issues.. Those are hardly the kind of results that show Qwest's OSS to be fully ready.

11. Moreover, as with any third-party test, this one certainly did not ferret out all of the important deficiencies that exist. In particular, because the third-party testers followed Qwest's documented procedures and assessed Qwest's performance, they did not assess whether Qwest's procedures themselves were adequate. For example, they did not discuss Qwest's failure to offer important functionality to allow CLECs to submit migration orders by name and telephone number ("migrate by TN") without an address.

12. With MCI's recent entry into the Qwest region, it has begun more carefully evaluating Qwest's OSS than it did at a time when it was clear that entry in the Qwest region was prohibitively expensive and also foreclosed by clearly inadequate OSS. We have determined that a number of serious deficiencies remain in Qwest's OSS, deficiencies that were not discussed in the third-party test. It is likely that there are other significant deficiencies that will be revealed as commercial experience grows as has been the case in every other region. But even today it is clear that key systems issues must be fixed before Qwest's OSS can be deemed ready:

- Qwest must offer migration by telephone number
- Qwest must offer fully integratable pre-ordering and ordering interfaces
- Qwest must allow CLECs to transmit migration orders without placing the customers existing features on an order

- Qwest must stop returning jeopardies or rejects that require CLECs to correct orders after Qwest has already transmitted a FOC
- Qwest must improve the intervals in which it provisions UNE-P orders
- Qwest must improve its performance in repairing lines
- Qwest must offer CABS BOS billing and show that these bills are formatted properly and are accurate
- Qwest must make its test environment mirror its production environment

Other BOCs that have received section 271 authorization have not had the same systems issues.

Migration by Telephone Number

13. As MCI has gained experience in local markets across the nation, it has become apparent that the ability to transmit migration orders based on the customer's name and telephone number is critical. The ILEC should not verify the address on the orders to determine whether it matches the address in the ILEC's databases. Indeed, it should not require the address to be placed on the order at all.

14. This "migrate by name and TN" functionality is crucial because rejection of orders for address errors is perhaps the most common type of reject. In the Qwest region, for example, more than 6% of the rejects Z-Tel received in June on MCI orders were address rejects. Such rejection can be avoided on migration orders if the ILEC does not verify the address. Ga/La Order ¶ 125.

15. Every ILEC other than Qwest now offers CLECs the ability to migrate by TN. But Qwest does not offer such functionality, as it confirmed in a recent e-mail and as KPMG has also confirmed.[1]

16. Even if, as Qwest claims, it offers CLECs the ability to integrate pre-ordering and ordering interfaces, the ability to migrate by telephone number remains critical. Z-Tel, for example, has attempted to integrate pre-ordering and ordering functionality using Qwest's parsed CSR functionality. Yet Z-Tel still receives a high number of rejects based on ostensible address errors Efforts to integrate will often not be fully successful, either as a result of CLEC errors or difficulties caused by Qwest's failure to establish easily integratable interfaces. For example, if the field lengths at the pre-order and order stage do not match exactly, taking the address information from the pre-order stage and attempting to pre-populate it on orders will result in at least some address errors. Moreover, some CLECs lack the resources to integrate pre-order and order.

17. Z-Tel did attempt to integrate pre-order and order. But as described further below, Z-Tel had a number of difficulties, one of which underscores the need for migrate by TN. Qwest sometimes is sending three address fields in one field in the CSR response, but pre-population of this information on the order results in rejection of the orders. No such problem would exist on migration orders if CLECs could migrate by TN.

18. Because it is critical that Qwest allow CLECs to migrate by TN, MCI has submitted a change request for Qwest to implement this functionality. Although MCI did not submit

[1] Weeks earlier, Qwest had informed MCI it did allow CLECs to transmit migration orders without sending the end user form that contains the address, and, in the ROC meetings at DOJ and the FCC on June 20, Qwest indicated it was not sure whether migration by TN was permitted. This is a problem in and of itself, as Qwest appears unable to answer basic facts about

this change request until recently, Qwest should long have been aware of its importance to CLECs, as it was discussed in this Commission's Texas Order ¶160, as well as its Georgia/Louisiana Order. Qwest's failure to offer migrate by TN is a critical defect in its OSS. Yet Qwest indicated in a change management meeting last week that the earliest that the earliest it could be implemented is *April 2003* even if it is prioritized first by CLECs.

Integration of Pre-Ordering and Ordering

19. The importance of integrated pre-ordering and ordering has long been clear. One of the primary reasons that this Commission rejected three BellSouth section 271 applications was that BellSouth failed to provide integratable pre-ordering/ordering interfaces. SC Order ¶ 155-66; LA I Order ¶¶ 49-55; LA II Order ¶¶ 96-103. In response to each of those applications, MCI explained the importance of parsed Customer Service Records ("CSRs") in achieving integration and also enabling CLECs to import important information into their own systems. Each time BellSouth responded that it provided alternative means for CLECs to integrate pre-ordering and ordering interfaces. But the Commission properly found these means to be wanting.

20. The Commission approved a section 271 application only after BellSouth began offering parsed CSRs and otherwise demonstrated that its pre-ordering and ordering interfaces could be successfully integrated. As the Commission explained, "[w]e do not simply inquire whether it is possible to transfer information from pre-ordering to ordering interfaces. Rather, we assess whether the BOC enables *successful* integration." GA/LA Order ¶ 119.

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its systems. In any event, it is now clear that Qwest does not offer CLECs the ability to migrate

21. Qwest does not offer CLECs the ability to integrate successfully. In its test of a CLECs' capability to integrate pre-ordering and ordering interfaces in the Qwest region, Hewlett Packard ("HP") found hundreds of inconsistencies between pre-order and order requirements, including inconsistent business rules, inconsistent valid values and inconsistent data types. LN-OSS 11 at 9, 25-27.[2] HP also found other issues such as return of the Billing Section as a concatenated street field, LN-OSS 11 at 37, Qwest's failure even to return information at the pre-order stage for several industry standard fields, LN-OSS 11 at 39-40, 45-46, and 41 CSR related issues LN-OSS at 37. Although HP concluded that these issues "are not critical enough to prevent an established CLEC, with a professional EDI development team, from being successful in its effort to build a PreOrder to Order integration system, HP concluded that such issues "could present a CLEC many challenges." LN-OSS 11 at 9, 25-27. It added that, although possible for a CLEC "with appropriate resources, funding, time and planning activities, "a CSR to LSR parsing would be a very challenging and complex undertaking for a CLEC with an Information Technology team experienced in EDI development." LN-OSS at 37.

22. But there is no reason that Qwest should make integration so difficult. Qwest should provide fully parsed CSRs, as have other ILECs, or at least provide complete and consistent business rules and pre-ordering/ordering fields that allow CLECs to readily construct an integrated interface. Although some CLECs indicate they have managed to integrate, it is doubtful that any have done so with relative ease while keeping reject rates

by TN.

[2] All citations of the form LN-OSS xx are cites to the exhibits attached to the Nostriani/Doherty Declaration in Tab 10.

low. Indeed, HP experienced a very high reject rate during testing despite ostensibly having integrated its interfaces.

23. In constructing the interfaces used to place MCI orders, Accenture did attempt to integrate pre-order and order. But MCI's orders are still being rejected at a very high rate, as I discuss further below. This is at least in part due to difficulties in integrating the interfaces. As noted above, Qwest sometimes returns particular address information at the pre-order state in one field when it should be in three fields, causing this information to be rejected at the ordering stage. Qwest also sometimes incorrectly returns a CSR for a customer's wireless service in response to a CSR request for the customer's wireline service and Qwest sometimes fails to send line class of service type information that is needed at the ordering stage. Each of these issues is responsible for a significant number of rejects on MCI orders.

24. In short, the integration that CLECs can achieve in the Qwest region is far from the successful integration that Qwest must provide for CLECs to be able to compete effectively.

Ordering

25. Qwest's ordering process has a number of important flaws. On basic UNE-P migration orders, Qwest fails to follow the standard ordering process used by other ILECs. Qwest also manually processes too many orders.

<u>Qwest Requires CLECs to List Existing Features on Migration Orders</u>

26. First, when CLECs transmit orders to migrate customers away from Qwest, Qwest uses a special type of "as specified" order that is not used by other ILECs and is not consistent with industry guidelines. In other ILEC regions, when MCI transmits an order to migrate

a customer, the order specifies the features the customer would like to receive. In the Qwest region, however, MCI must specify not only the features the customer would like in the future but also all of the features the customer is currently receiving from Qwest. MCI must also include the customer code on each order, a non-standard field not required by any other ILEC. This needlessly and substantially complicates the ordering process.

27. In order to accurately list all of the customer's existing features, the CLEC must obtain the features from the customer's CSR. The CLEC must either then retype all of the existing features onto the order, an extremely cumbersome task that is fraught with the possibility of error, or must develop the software to take the features from the CSR and pre-populate them on the order (assuming such integration is possible). If the integration is not fully successful, either as a result of CLEC mistakes or as a result of Qwest's failure to provide fully integratable interfaces, the order will be rejected. If the information that the CLEC pulls from the CSR is incorrect, because Qwest has made mistakes in updating the CSR, the order will also be rejected.

28. It is not surprising that the reject rate in the Qwest region is more than 30% when Qwest has established such a cumbersome ordering process for basic migration orders (and also requires addresses to be placed on each order). During the test, KPMG found reject levels of 33.6% in the Eastern region, 40.5% in the Central region, and 32.1% in the Western region – using interfaces that supposedly had been integrated. Because the level of rejects was considered a diagnostic measure, KPMG did not fail Qwest based on these reject levels. But these levels are staggeringly high.

29. Qwest's commercial experience is no better. Region-wide, Qwest rejected 34% of orders received via IMA in April and 31% of orders received via EDI. (Performance Reports,

PO-4A-1, 4A-2, 4B-1, 4B-2). In May, Qwest rejected 35% of orders received via IMA and 30% received via EDI.

30. In the Qwest region, the week of June 21, MCI received rejects on 30.1% of the 4,821 transactions submitted by Z-Tel. The reject rate was 25.0% on initial orders and *75.0%* on supplemental orders to correct the rejects, often for the same reason as the orders were initially rejected. This is far higher than reject rates for orders submitted by Z-Tel for MCI in other regions. In Verizon, the reject rate on Z-Tel orders the week of June 21 was 8.1%, in BellSouth 16.3%; and in SWBT 18.9%. As we explained in response to BellSouth's Georgia/Louisiana application last Fall, the reject rate on MCI's UNE-P migration orders placed through its legacy systems in Michigan from January through August 2001 was 10.6%, 11.6% in Illinois, 11.9% in Pennsylvania, 14.6% in Texas, and 17.9% in New York (where a systems problem temporarily increased the reject rate for three months significantly above normal levels). After BellSouth implemented migrate by TN, MCI's reject rate in BellSouth fell into line with those in other regions.

31. MCI has determined that as a result of Qwest's unique "as specified" ordering process, it is far more difficult to accurately code its interface in the Qwest region than in other regions. The complexity of Universal Service Order Code and class of service information required for features has contributed to the high reject rates MCI was experiencing. The top five reject reasons the week of June 21 on both initial and supplemental orders were feature combination, feature activity, address validation, EDI field conflicts and unknown. Many of the issues causing the high reject rate were not apparent in testing.

32. Working with MCI, Z-Tel recently submitted a change request to alter the ordering process from "migration as specified with changes" to the standard "migrate as specified" but there is no reason that Qwest should have adopted such its abberant process in the first place. There is no reason that Qwest should have a different ordering process than that in every other region.

Qwest Manually Processes Too Many Orders

33. Qwest has not shown that it is capable of processing a high percentage of orders without manual intervention. Nor has Qwest shown that it is capable of effectively processing a high volume with current levels of manual intervention.

34. During the third-party test, flow-through was considered a diagnostic measure only. Thus KPMG did not reach a conclusion as to whether Qwest's flow-through performance was adequate. But KPMG did find a high level of manual handling in Qwest. In particular, KPMG found that only 51.86% of 3,650 order transactions submitted via EDI flow through to the service order processor. Final Test,13-1-2. (Similarly, only 50.45% of the 331 order transactions submitted via the GUI flowed through to the service order processor).

35. Although Qwest's performance was better for orders designed to flow through, even for these orders, a significant percentage fell out for manual handling during the test -- in contrast to tests in other regions where flow through in such instances approached 100%. (KPMG found that more than 15% of UNE-L transactions and more than 5% of UNE-P transactions failed to flow through. Final Test, 13-1-4, 13-1-5. KPMG also found that flow-through eligible transactions are not always processed in accord with documented flow through rules. Final Test, 13.-1-9, 13-1-10. (96.88% for UNE-P, 87.88% for UNE-

L). More important, KPMG did not evaluate what explained the different results between overall flow through and achieved flow through (flow through of orders designed to flow through).

36. It may be that in the overall flow through test, some orders designed to flow through did not do so. Or it may be that the low overall flow through rate was caused by Qwest's failure to design key order types to flow through. For example, *no* supplemental orders to change due dates or features flow through even though such orders are very common. CLD-OSS-21 at 2.[3] Many cancellation requests do not flow through. CLD-OSS-21 at 3. Conversions with voice mail rollover, or with telephone number changes (in the Central and Western regions) do not flow through. CLD-OSS-21-3. CLEC to CLEC migrations do not flow through. CLD-OSS-21 at 2. And it is likely that many other key order types do not flow through, as has become apparent in production in other regions once commercial volumes grew. What is clear, however, is that a 52% flow through rate for EDI orders is far too low.

37. Qwest's commercial experience is even worse than the test results. In April 2002, Qwest flowed through only 57.16% *of UNE-P orders* received via IMA and 53.10% received via EDI region wide (PO-2A-1, PO-2A-2). In May, the numbers were 54.04% for IMA and 67.34% for EDI. It is not clear why any significant fraction of UNE-P orders should not flow through. In any event, even with respect to what Qwest considers flow through of eligible LSRs, Qwest's performance was extremely poor. Only 87.11% of eligible LSRs for UNE-P received via IMA flowed through in April and only *81.53%* of eligible orders received via EDI. In May, the numbers were 88.79% for IMA and 85.96% for

EDI. This performance was actually better than most recent prior months. And these were orders ostensibly designed to flow through.

38. Qwest's poor flow through performance is almost certain to cause significant problems. Qwest does not have sufficient commercial experience to demonstrate that it is capable of manually processing a high volume of orders. Unlike in other regions, Qwest has not shown that it can process orders manually without difficulty as ordering volumes increase significantly. Indeed, Qwest has not even shown it can do so with low order volumes.

39. The test shows that Qwest's manual processing is far from adequate. KPMG determined that Qwest lacks defined, documented procedures that it adheres to for the processing of orders that do not flow through. Final Test 12.8-2 (due to Observation 3110). As part of a retest of Exception 3120 involving integrity issues with data used for performance measures, KPMG determined that 8 orders unexpectedly fell out for manual handling which should have flowed through. KPMG also looked at a larger data set. KPMG found that 7 of 49 orders that fell out for manual handling were processed incorrectly resulting in errors that could result in miscalculation of performance measures. Observation 3110. While Qwest suggests that KPMG's finding of seven errors out of 49 orders is "within a reasonable tolerance level," Notarianni & Doherty Decl. ¶ 353, this error rate is extremely high.

40. Indeed, KPMG found the error rate unacceptable. During the course of evaluating whether Qwest produced measures of pre-order/order performance were consistent with KPMG measures, Final Test 12-11-4, KPMG explained that "[d]ue to human error issues identified in Exception 3120 and Observation 3110 regarding manual processing of data

[3] All citations of the form CLD-OSS-xx are cites to exhibits attachedto the Nostrianni/Doherty

intended for use in PID reporting, KPMG Consulting identified a need for additional retesting. Without further retesting specifically designed to assess the impact of human error on the accuracy of Qwest's PID reporting, KPMG Consulting is unable to conclude that Qwest satisfied this evaluation criterion." Final Test 12-11-4. KPMG reached the same conclusion in evaluating whether Qwest-produced measures of ordering and provisioning results are consistent with KPMG produced measures. Final Test 14-1-44. And in the course of closing Observation 3110 without resolution, KPMG similarly affirmed that the only way to properly address the observation was to conduct a retest that focuses on orders that drop out for manual handling and their impact on performance reporting. Qwest, however, elected not to conduct a retest.

41. Human errors such as the ones found by KPMG would obviously significantly impact the accuracy of performance measures. If Qwest records show that it received an order far later than it actually did receive the order, for example, this would reduce the time Qwest reports for return of notifiers, completion of the order etc. Nonetheless, Qwest elected not to retest its performance on these test criteria.

42. In addition to affecting performance measures, manual processing almost certainly also leads to provisioning errors. Indeed, "HP Consulting noted through Observations and Exceptions that many of the[] manually handled orders were not correctly processed by Qwest reps." LN OSS –22 at 1. And although KPMG eventually conducted retests in which it deemed Qwest's provisioning accuracy acceptable, on several initial tests it found substantial errors. (Final Test 14-1-12 and 14-1-3 to 5). Qwest's ability eventually

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Declaration at Tab 10.

to pass a retest does not show that it can consistently provision orders accurately – especially in the absence of commercial evidence that Qwest can do so.

43. Unlike BellSouth, Ga/La Order ¶¶ 159-61,Qwest currently has no measure of service order accuracy. Although CLECs may have once agreed that no service order accuracy measurement is necessary, it is clear both from KPMG's experience during the test and from the experience in other regions that such a measure is needed. Qwest appears willing to agree to a measure but its parameters remain in doubt. For now, however, there is no reason to believe that Qwest is processing orders accurately. At least until MCI has more experience in the market, I have no way to determine whether Qwest's commercial experience is acceptable..

44. But Qwest's own response suggests that it is not. Qwest boasts of accuracy rates of post-order CSRs and SOC completion dates of approximately 97% -- a very low accuracy rate considering that these measures included flow through as well as non-flow through orders, and considering that these were not measures of overall service order accuracy but only of components of service order accuracy. Notarianni & Doherty Decl. ¶ 354. A 3% error rate for CSRs, a 3% error rate for SOC completion dates, and an undisclosed error rate on provisioning add up to a very significant overall error rate.

45. In addition to provisioning errors and performance reporting errors, it is likely that manual processing led to long intervals for provisioning of orders, as will be discussed further below. Qwest's poor flow through performance is thus associated with poor performance in other areas. Its flow through performance must improve. Yet Qwest has not even agreed to a benchmark for overall flow through performance. Unlike in other regions, there are no penalties for poor overall flow through.

Order Status Notices

46. As Qwest properly acknowledges, it is vital that an ILEC transmit timely and accurate order notices to CLECs, including firm order confirmations, rejects, jeopardies and completion notices. Qwest is not yet doing so.

Qwest Transmits Jeopardies Requiring Supplementation After FOCs

47. When Qwest rejects an order and requires the CLEC to supplement the order to correct it, Qwest sometimes does so by transmitting a jeopardy notice rather than a reject notice. MCI continues to receive a substantial number of jeopardies that require it to send supplements before Qwest will complete the order. Of the 4028 orders that MCI had submitted that had received FOCs as of June 12, MCI received 39 jeopardies that required submission of supplements to correct the orders.

48. This is an entirely improper use of a jeopardy notice. A jeopardy is supposed to inform the CLEC that the date for completing the order has changed from what the ILEC originally promised on the FOC. Instead, Qwest is transmitting jeopardies that, for example, inform the CLEC that the address on the order is invalid. An order with an invalid address should be rejected; Qwest should not send a FOC on such an order and then later send a jeopardy showing that the original order was unacceptable. The whole purpose of the FOC is to inform the CLEC that the order is acceptable and will be completed on a certain date.

49. That is why HP originally opened an exception during the test based on Qwest's transmission of rejects after FOCs. Exception 2030, 2031; Test Report Table 12-17. Once a FOC has been transmitted, Qwest should not be sending any order status notice

that requires additional work by the CLEC. It should either be sending a jeopardy informing the CLEC that Qwest cannot meet the intended due date or it should be sending a completion notice stating that the order has been completed. It should not be sending either a reject or a jeopardy requiring a supplemental order from the CLEC.

50. Apparently, Qwest's response to HP's exception was to convert the rejects after FOCs into jeopardies after FOCs. Obviously, that does not solve the problem. Indeed, it makes it worse.

51. Transmission of a jeopardy instead of a reject creates substantial difficulty for the CLECs. Z-Tel's systems, for example, were set up based on the premise that rejected orders would have to be corrected, but not jeopardies. They were also set up based on the premise that receipt of a FOC means that the order has been accepted. In order to evaluate jeopardies to determine whether correction of the original order is required, Z-Tel has had to modify its systems. This not only creates unnecessary costs in modifying the systems but causes significant difficulty in tracking order status, as Z-Tel in effect must internally change the jeopardies into rejects to know that it may need to supplement the orders. Moreover, because only some jeopardies require supplemental orders, MCI must manually check each jeopardy to see if a supplemental order is required. Further complications are created by the fact that if a CLEC has not corrected an order within 4 hours after a receipt of either a jeopardy or a reject, Qwest will then send a second order status message rejecting the order – leading to duplicative messages in the CLEC systems that must be sorted out.

<u>Qwest Fails To Transmit All Jeopardies</u>

52. In addition to the problem caused by Qwest's transmission of jeopardies when it should not be sending jeopardies, Qwest sometimes fails to submit jeopardies when it should. A jeopardy notification is used to inform the CLEC that the BOC will not complete the order on the date it had promised. Such notification is vital, because the CLEC needs to be able to notify its customer that service will not be turned up on the promised date. SC Order ¶¶ 115, 130.

53. In contrast to BellSouth, Ga/La Order ¶ 156, KPMG found Qwest's ability to provide timely jeopardy notices for resale and for UNE-P to be unsatisfactory. Final Test, 12-9-4, 12-9-5. When KPMG transmitted orders that should have received jeopardies, Qwest did not send the jeopardies at all. Qwest failed to transmit eight jeopardies on resale orders and 11 jeopardies on UNE-P orders. Moreover, because Qwest did not send the jeopardies at all and did not send any other jeopardies during the evaluation period, KPMG was unable to evaluate the timeliness of jeopardy notifications. It could not determine whether Qwest provides jeopardy notices in advance of the due date for resale and for UNE-P as required by PID PO-8. 12-9-1, 12-9-2.

54. Although Qwest touts its commercial experience in providing jeopardies, Notarianni & Doherty Decl. ¶ 282, there has been far too little data to determine if Qwest's performance is adequate. For one thing, if Qwest fails to transmit a jeopardy at all, this would not be captured by the performance measures. For another, Qwest does not even have data on jeopardies in each of its states and has very little data in the states in which it does report its performance. Notarianni & Doherty Decl. ¶ 289. Region-wide, Qwest claims that it transmitted only 44 jeopardies on UNE-P orders in April and 28 in May, although this is difficult to believe given MCI's experience with jeopardies after FOCs.

(Performance Measures, PO-8D). Moreover, Qwest's performance for CLECs has been consistently somewhat worse than performance for itself – even assuming that its retail performance is an appropriate measure of parity – and its actual performance results show only 14.29% of CLEC jeopardies returned on time in April and 17.39% in May, hardly performance about which to boast.

55. Thus, there is simply no basis from which to now conclude that Qwest does an acceptable job in transmitting jeopardy notifications.

Qwest Fails To Show It Can Identify More Than One Error at a Time.

56. KPMG did not even attempt to evaluate Qwest's ability to process orders with multiple errors. In production, CLEC sometimes transmit Local Service Requests ("LSRs") with several errors. It is important that when LSRs are returned to the CLEC as rejects, that multiple errors be identified. Handling errors one at a time wastes time and delays processing of the orders. Yet Qwest's ability to identify multiple errors was not tested (with the very limited exception that occurred when the provisioning CLEC accidentally transmitted an LSR with more than one error).

Provisioning

57. Once CLECs have surmounted the hurdles of Qwest's ordering process, Qwest takes far too long to provision basic orders. KPMG found that Qwest did not install non-dispatch orders for the Pseudo CLEC within a time period in parity with Qwest's retail operations for UNE-P services, Final Test 14-1-36, or business POTS services. Final Test 14-1-34. (Exception 3086 Closed/Unresolved and Exception 3120). Qwest failed both the original test and retests.

58. Qwest failed the test in all regions for UNE-P both in the original test and during retesting. In the Eastern sub-region, Quest took an average of 2.8 days to install the UNE-P orders tested; in the Central sub-region, Qwest took an average of 2.6 days, and in the Western sub-region an average of 2.9 days. In each sub-region, this performance was substantially worse than retail performance and failed KPMG's "dual test" criterion. Qwest's performance data in Iowa also show disparities between wholesale and retail, as well as significant disparities in Nebraska. (Performance Measures, OP-4.) Region-wide, Qwest took 3.22 days on average to provision non-dispatch UNE-P orders in April, and this measure excludes orders in which customers have requested longer than the standard due date. (Performance Measures, OP-4C.)

59. Even aside from the retail comparison, Qwest's performance is extremely poor. The fact is there is no ready retail comparison for a basic UNE-P migration order except perhaps for a feature change. (It is not clear from Qwest's PIDs, what it is using as a basis for a retail comparison.) But it is clear that a UNE-P order should be completed on the same day that it is sent since all that is involved is a software change. In other regions, the benchmark for UNE-P migration orders is in before 3:00 p.m., completed that same day.

60. The real problem here is that in the Qwest region, unlike other regions, the shortest interval that CLECs can request on a UNE-P migration is three days if the customer is changing any features. This is so even though no dispatch is required on such orders and all that is involved is a translation at the switch. All of MCI's Neighborhood Orders involve a feature change; thus, all are subject to the 3 day interval. As I already noted, in other regions, all UNE-P migrations have a 1 day interval.

61. It has long been clear that rapid installation of basic orders is critical to a CLEC's ability to compete effectively. Qwest has not yet shown that it can provide CLECs the ability to offer rapid installation to their customers.

62. Qwest's failure to provision UNE-P orders in a timely manner also emphasizes the importance of improved flow through. It is quite likely that the reason Qwest sets a 3 day interval for UNE-P migration orders is that it manually processes too many of those orders. It is inexplicable that a flow through UNE-P order would take several days to provision. But whatever the cause, it is clear that processing of UNE-P migrations takes far too long.

Maintenance and Repair

63. The third-party test revealed substantial deficiencies in Qwest's performance in repairing troubles on CLEC lines. Once again, however, the test ended before all of these deficiencies had been corrected.

64. Most important, KPMG determined that Qwest's performance in repairing troubles was unsatisfactory. Performance Measures 18-7-1 (due to closed/unresolved on Exception 3058). KPMG was able directly to observe whether troubles were fixed and concluded that Qwest was only able to fix 92% of troubles on the first try. This is a very poor record and has a substantial impact on customers. Failure to repair troubles also harms CLECs by causing extreme dissatisfaction from customers.

65. Although Qwest indicates that it is performing acceptably on the PID for repeat troubles within 30 days, Notarianni & Doherty Decl. ¶ 475, as KPMG explained at the June 20 ROC meeting with Commission staff, that is a second best measure that depends on reported troubles. KPMG was able to directly evaluate whether troubles were fixed on

the first try and found that far too many were not. Yet Qwest has not taken any steps to address this problem. And KPMG did not conduct a retest. Without a retest, there is no basis to conclude that KPMG's repair rate is acceptable.

66. This is especially so because Qwest's performance reports do not in fact demonstrate pristine performance. For non-dispatch orders Qwest's performance was poor in the two states in which there were more than minimal orders for UNE-P. In Colorado, Qwest's repair repeat report rate was out of compliance for all but one month and was out of compliance in Iowa in two out of four months. Simpson/Stewart Decl. ¶¶ 59, 68. Region wide, CLECs had repeat troubles within 30 days on more than 15% of dispatch orders in February, March and May and more than 11% in April; performance worse than retail performance for three out of the four months. (MR-7A). Amazingly, when no dispatch was required, the repeat trouble rate on CLEC UNE-P customers was more than 20% in February and April, more than 17% in March, and more than 15% in May. Qwest's performance on this measure has been out of parity for each of the last 12 months. (Performance Measures, MR-7C) Although Qwest claims its performance was better when reports are excluded in which Qwest found no trouble, Simpson/Stewart Acess to UNEs Declaration ¶ 67, that is not the agreed upon measure. Qwest's determination that there was no trouble on the line does not mean there was no trouble. Moreover, it is not clear that Qwest's unilateral exclusion applied to both retail and wholesale customers. In any event, repeat troubles have more impact on CLECs than on Qwest, as CLECs are for the first time trying to establish a reliable reputation in the market.

Billing

67. Until July 1, Qwest did not provide electronic CABS BOS billing for wholesale charges. CABS BOS is the industry standard billing format and is used by every other RBOC. Qwest instead has provided CRIS bills, which is the format used to provide retail bills. Pennsylvania Order ¶¶ 178-18. Although Qwest on July 1 announced that CABS BOS bills are now available, there has been no third party test of those bills and no experience to show those bills are ready. Qwest is just now beginning to send test files to CLECs for CABS BOS.

68. Use of CRIS bills has required MCI to design unique billing systems. This is particularly difficult because CRIS varies tremendously from ILEC to ILEC and even across states within an ILEC. Qwest has three different billing centers that provide MCI with CRIS bills just in the states MCI has already entered. Each of these has different levels of detail on its bills. The ILECs also may change the format of CRIS without prior notification; whereas, the industry has two CABS releases per year, with a standard notification process. MCI has also faced data mapping issues with Qwest bills, such as transmission of duplicative detail information for directory assistance and expanded area service, and transmission of consolidated summary information and detail information in two separate files that have to be combined in order to balance the summary and detail information.

69. Moreover, the CABS BOS format is needed to ensure that CLECs can effectively audit their bills. Not only does the non-standard nature of CRIS make auditing difficult, but the CRIS bills also lack necessary detail information. The ability to audit monthly recurring bills is completely dependent on the receipt of USOC level detail on the bills. Yet of the three Qwest billing centers, only one can send the complete USOC detail on

CRIS bills. The second can send some limited USOC detail, and the third an send no USOC detail at all. Other important details are not included either. Service Address and Adjustment detail are not sent by any of the Qwest billing centers.

70. The auditing problems are exacerbated by the fact that the CRIS bills are not considered the bill of record. Paper is considered the bill of records. Thus, in order to support any claims of inconsistencies or missing data in its bills, MCI is expected to utilize the paper bills. Paper bills are immense and far too cumbersome for MCI to use effectively in the billing process. MCI receives about 30 boxes of paper bills each month from Qwest.

71. Every other ILEC provides wholesale bills in CABS format. Yet Qwest did not do so until July 1 even though AT&T has been requesting CABS billing from Qwest since 1996 and MCI has been requesting CABS as well. AT&T submitted a change request for CABS billing on September 6, 2001.

72. Because of Qwest's delay, there will be no way to know whether Qwest's deployment of CABS has been successful in time for the Commission to rule on Qwest's section 271 application. As this Commission is well aware from its discussion of billing problems that arose in Pennsylvania, successful deployment of CABS BOS billing can take many months. Pennsylvania Order ¶ 19.

73. It is particularly important that Qwest provide accurate, auditable CABS BOS bills since even with the limited auditing MCI has been able to conduct to date, it has hundreds of thousands of outstanding billing disputes open with Qwest. KPMG also found numerous errors on bills. 20.7-1-3. Although the last bill it received was correct, KPMG was unable to conclude that Qwest has in place an internal process for validating bill accuracy. KPMG was unable to determine whether Qwest complied with cycle balancing

procedures to resolve out-of-balance conditions (Final Test 20.7-1-3) *or* whether Qwest had sufficient reasonability checks to identify errors not susceptible to pre-determined balancing procedures. Final Test 20.7-1-4. KPMG was also unable to determine whether Qwest had procedures to ensure that payments and adjustments are applied when errors are identified (Final Test 20.7-1-5). And KPMG was unable to determine whether Qwest ensures that bills are retained for a sufficient length of time so that CLECs can challenge them. (Final Test 20.7-1-9). Because Qwest has not shown that it has processes in place to ensure it produces accurate bills, Qwest's present failure to provide auditable bills in CABS BOS format is an especially severe deficiency.

Change Management

74. Qwest recently implemented a new change management process. Much of that process was not put in place until April 2002. That process has not yet been tested. Thus, even though the process has been significantly improved, there is no way yet to know that it works. Qwest has not yet "demonstrated a pattern of compliance with this plan." Ga/La Order ¶ 179.

75. The ROC test did not determine that Qwest's change management process was adequate. Indeed, the change management process was still being designed at the time that KPMG performed its testing. As a result, of the 18 change management components that KPMG did test, it was unable to determine compliance for 7 of them. It was unable to determine whether procedures and systems are in place to track descriptions of proposed changes, key notification dates and changes in status (Final Test 23-1-7, 23-2-7); whether criteria were defined for the prioritization process and for coding the severity of defects (Final Test 23-1-8. 23-2-8), whether Qwest complies with notification intervals and

documentation release requirements (Final Test 23-1-9. 23-2-9), and whether the change management process as a whole is in place and documented (Final Test 23-2-2).

76. Qwest's ability to adhere to its new process and, for example, transmit documentation sufficiently in advance of a release and implement a release with few defects, is questionable in light of Qwest's prior failure to adhere to its change management process. KPMG closed/unresolved E3094 on the basis that Qwest originally did not adhere to its established change management process for notifying CLECs about a proposed process change, and allowing input from all interested parties, and that there had been no final adoption of a new process so no chance to observe whether the ad hoc process agreed upon would work (related to Final Test criteria 23-2, 23-3, 23-8). KPMG also closed/inconclusive E3110 because it could not yet determine whether Qwest adhered to its new process for tracking and verifying adherence to the documentation release intervals (related to Final Test criteria 23-7 and 23-9). KPMG closed as inconclusive Exception 3111 because, while Qwest had agreed to a new process for prioritizing changes, there are several areas where the new prioritization and packaging process was either not completely established prior to Release 10.0. the last release observed by KPMG, and other areas in which it was not followed (related to Final Test criteria 23-3, 23-8). Finally, KPMG closed as inconclusive Test Criterion 23-9, noting that Qwest had failed in some instances to comply with intervals for providing documentation and KPMG had not been able to observe whether Qwest complied with newly adopted intervals.

77. Cap Gemini Ernst & Young's review of Qwest's new change management process in Arizona also found that Qwest had not yet demonstrated a pattern of compliance on some

key aspects of change management even though Cap Gemini ultimately passed Qwest with respect to change management. CGE&Y noted, for example, that Qwest had made process changes to address issues concerning prioritization of change requests, the length of time for a request even to make it to the prioritization stage, and the length of time in advance by which documentation would be released. But CGE&H also noted that there appeared to be some issues with implementation of these new processes in limited observations and that in one case CGE&Y had not had any chance to observe compliance not yet demonstrated a pattern of compliance. Ex. DLF-CMP-8 at 42 (attached to Change Mangement Declaration). In addition, the Joint CLEC Brief Regarding Qwest's Change Management Process, which is attached to Ex. DLF-CMP-10 in Qwest's filing, provides recent examples of non-compliance with the new change management procedures.

78. Of particular concern as we move forward is whether Qwest is able to implement important CLEC-prioritized changes. Given Qwest's current schedule of 3 major releases per year, and the rate at which it implements prioritized changes in each release, it appears that Qwest will ever implement only about 50% of prioritized changes.

79. Qwest has made important progress in moving towards an acceptable change management process. But it is not yet known that Qwest will implement that process successfully.

Qwest Lacks an Independent Test Environment

80. Qwest does not have an independent test environment that mirrors production. As the Commission recently explained, "[a] stable testing environment that mirrors the production environment and is physically separate from it is a fundamental part of a change management process ensuring that competing carriers are capable of interacting

smoothly and effectively with a BOC's OSS, especially in adapting to interface upgrades." Ga/La Order ¶187.

81. Qwest's original test environment, the Interoperability environment, is not a physically separate environment. Rather it is simply the production environment with special flags for test orders, as KPMG explained in the June 20 ROC meeting with staff. In KPMG's view as expressed in the meeting, Interoperability therefore fails one of the primary criterion for a test environment. There is a significant risk that test orders and production orders will become intermingled in this environment. HP explained that Qwest informed it that it "has not yet developed the means to ensure that test transactions executed in interoperability will not impact live accounts. . . . Qwest's concern is reasonable, as HP has experienced adverse impacts to live accounts when utilizing Qwest's Interoperability Testing process." LN OSS-73 at 7.

82. Moreover, CLECs can only test in Interoperability if they have real customers who allow them to submit test orders. They cannot use special test accounts as they need to do when testing a new version of an interface. As HP explained, Interoperability Testing "requires that the CLECs use valid account data of live customers for testing purposes, since all transactions are edited against production and legacy systems. This practice is costly, time consuming, and inconvenient for both CLECs and their customers. HP also observed instances in which customer accounts were inadvertently changed." LN- OSS-73 at 6-7.

83. In addition, "post-order responses in the Interoperability Environment are generated by Qwest technical personnel." Notarianni & Doherty Decl. ¶ 712. In this important sense, despite overlapping significantly with the production environment, Interoperability is

substantially different from production and does not provide an adequate test of what CLECs can expect from production.

84. Qwest's new environment, SATE, although independent, is also currently inadequate. SATE does not mirror production, as KPMG found. Exception 3095, 3077 (related to test criteria 24.6-1-8). KPMG's first criticism focused on the fact that SATE does not enable CLECs to test all products that Qwest offers. Exception 3095. Although Qwest claims that this was the choice of CLECs, that is so only because the alternative presented by Qwest was even worse. Qwest presented CLECs with the choice either of limiting the functionality included in SATE or of foregoing development of other functionality important to CLECs. In Exception 3095, KPMG found Qwest's response regarding prioritization to be inadequate. Moreover, even Qwest acknowledges that CLECs placed high priority on inclusion of some additional products to SATE, Notarianni & Doherty Decl. ¶ 768, and Qwest has yet to include those products – although it promises to do so soon. But the fact remains that Qwest has applied for section 271 authority before development of an independent test environment capable of testing important products.

85. More important, however, even for those products that CLECs can test, SATE does not match production – despite Qwest's assertions to the contrary in the June 20 meeting with staff. KPMG noted that the response times in SATE do not match production, that the detail received on a production response such as a FOC or a completion notice may not match production, which "is another indication that the testing environment does not provide CLECs with an accurate depiction of production capabilities," that SATE also fails to mirror production because it does not transmit the transaction response expected in the real world and CLECs must select predetermined paths in order to receive

responses automatically, and that the data in SATE do not match data in production. Exception 3077 2nd Supplemental Recommendation 4/3/2002 (related to Final Test criterion 24.6-1-8). In its final disposition report for Exception 3077, KPMG specifically concluded that the "data contained within the order responses is not consistent, and may not mirror the data that would be found in production responses." Exception 3077 Disposition Report. KPMG added that even where Qwest had documented the differences between SATE and production, "documentation of known differences does not substitute for a test environment that mirrors the transactional behavior of the production environment."

86. Unlike KPMG, HP ultimately concluded in Arizona that SATE was adequate. Nonetheless, it found "noteworthy discrepancies related to business rules consistency between the SATE and production systems." LN OSS-73 at 9, Indeed, HP's evaluation resulted in a number of negative or inconclusive findings. For example, HP issued negative or inconclusive findings because SATE did not satisfactorily capture errors caused by data entry mistakes, did not employ business rule edits provided in the documentation, did not provide the error messages expected in production, had a significant variance from expected production responses, and did not successfully update all expected error messages with introduction of a new release. LN OSS-73 at 34-42. *See also* LN OSS-77 at 21-22, 25-26, 33-36. HP also found that "much of the documentation . . .was newly developed and required additional support from Qwest SATE personnel to allow HP to properly use the SATE environment. SATE documentation contained numerous minor inaccuracies that HP believes are the result of hasty preparation and poor version control." LN OSS-73 at 15, 20-21.

87. CLEC experience also demonstrates that SATE does not mirror production. For example, in SATE, when a pre-order inquiry is sent that contains a thoroughfare such as "DRIVE" and the proper designation is "DR," Qwest will respond that there is no match. In production, however, Qwest will respond that there is a near match or an exact match. E-mail from Mark Powell of Accenture, 5/9/2002. When Accenture, which designed the software for Z-Tel, pointed this out to Qwest, Qwest responded, "[a]t this point we do not have the ability to support this level of comparison logic in SATE. Our production backend systems do. We are currently investigating some different options. The answer to Mike's question is that behavior is specific to SATE and you should not expect to see this in production." E-mail from Michael McCallister, 5/14/2002.

88. Similarly, in its OSS declaration here, Qwest appears to acknowledge there are differences between SATE and the production environment. It states that "all *known* differences between production and SATE are documented on an on-going basis. If the implementation of IMA-EDI functionality into SATE causes the system behavior to differ from production, Qwest will likewise document this information." Notarianni & Doherty Decl. ¶ 735. It also acknowledges that error messages are different in SATE and production and that "responses may occasionally differ between production and SATE." Notarianni & Doherty Decl. ¶¶ 736-37.

89. With respect to the error messages, Qwest here asserts that the consistent responses one would expect in a test environment are not consistent with real world testing. Notarianni & Doherty Decl. ¶¶ 757, 763. But this makes no sense. The messages generated electronically should always be the same in production and testing – and, ideally, any manual responses should also be identical for the same type of order, whether in

production or testing. As for Qwest's statement that it has documented differences between SATE and production, even if this is so it would be insufficient, as KPMG concluded: "KPMG Consulting maintains its position that test environment transaction responses should mirror those from the corresponding production environment." Exception 3077.

90. The differences between SATE and production are likely even more substantial that Qwest acknowledges, as CLECs have had little time to use SATE since its implementation to determine what problems exist with SATE. But it is already clear that SATE does not mirror production in important respects, making it difficult for CLECs to rely on SATE as a basis for evaluating a new version of an interface. When CLECs receive a response in SATE, they have no way of knowing whether they will receive the same response in production and whether they should revise their systems, ask Qwest to revise its systems, or conclude that there is no need for any changes. It is vital that SATE mirror production, and until it does, Qwest should not be authorized to provide long distance service.

CONCLUSION

This concludes my declaration on behalf of WorldCom.